O/086/22

TRADE MARKS ACT 1994

IN THE MATTER OF INTERNATIONAL REGISTRATION NO. WO0000001533052
BY SOCIETE FRANCAISE DES HOTELS DE MONTAGNE
TO REGISTER THE TRADE MARK:

BARON EDMOND DE ROTHSCHILD

IN CLASS 33

AND

IN THE MATTER OF OPPOSITION THERETO
UNDER NO. 422266 BY
BARON PHILIPPE DE ROTHSCHILD S.A.

BACKGROUND AND PLEADINGS

1. International trade mark 1533052 ("the IR") consists of the sign shown on the cover page of this decision. The holder is Societe Francaise Des Hotels De Montagne. The IR is registered with effect from 17 March 2020. With effect from the same date, the holder designated the UK as a territory in which it seeks to protect the IR under the terms of the Protocol to the Madrid Agreement. The holder claims a priority date of 25 September 2019 and seeks protection for the following goods:

Class 33 Alcoholic beverages (except beers); wines.

2. The request to protect the IR was published on 28 August 2020. On 30 November 2020, Baron Philippe De Rothschild S.A. ("the opponent") opposed the protection of the IR in the UK based upon sections 5(2)(b) and 5(3) of the Trade Marks Act 1994 ("the Act"). The opponent relies upon the following trade marks:

BARON PHILIPPE DE ROTHSCHILD
EUTM no. 683227[1]
Filing date 12 November 1997; registration date 28 January 1999
Relying upon all goods for which the mark is registered, namely:
Class 33 Alcoholic beverages (except beers); wines.
("the First Earlier Mark")

BARON PHILIPPE DE ROTHSCHILD
UKTM no. 1120081
Filing date 4 September 1979; registration date 4 September 1979
Relying upon all goods for which the mark is registered, namely:
Class 33 Wines.
("the Second Earlier Mark")

[1] Although the UK has left the EU and the transition period has now expired, EUTMs, and International Marks which have designated the EU for protection, are still relevant in these proceedings given the impact of the transitional provisions of The Trade Marks (Amendment etc.) (EU Exit) Regulations 2019 – please see Tribunal Practice Notice 2/2020 for further information.

3. Under section 5(2)(b), the opponent claims that there is a likelihood of confusion because the marks are similar, and the goods are identical or similar.

4. Under section 5(3), the opponent claims to have a reputation for all of the goods for which the marks are registered. The opponent claims that use of the holder's mark would, without due cause, take unfair advantage of, or be detrimental to, the distinctive character and/or reputation of the earlier marks.

5. The holder filed a counterstatement denying the claims made and putting the opponent to proof of use of the earlier marks.

6. The holder is represented by Baron Warren Redfern and the opponent is represented by Novagraaf UK. Both parties filed evidence in chief and the opponent filed evidence in reply. Neither party requested a hearing, but both filed written submissions in lieu. This decision is taken following a careful perusal of the papers.

EVIDENCE AND SUBMISSIONS

7. The opponent filed evidence in chief in the form of the witness statement of Eric Bergman dated 28 April 2021, accompanied by 10 exhibits. Mr Bergman is the Deputy Managing Director for the opponent.

8. The opponent's evidence was accompanied by written submissions dated 4 May 2021.

9. The holder filed evidence in the form of the witness statements of:

a. Alexis De La Palme dated 23 July 2021 (accompanied by 9 exhibits). Mr De La Palme is the Chairman of the Executive Board of the holder, a position he has held for six years.

b. Jean French Dusch dated 29 July 2021 (accompanied by 4 exhibits). Mr Dusch is the Chief Executive Operator of Edmond de Rothschild (UK) Limited, which is part of the same group of companies as the holder.

c. Caroline Ruvimbo Nyahasha dated 29 July 2021 (accompanied by 1 exhibit). Ms Nyahasha is a Certified Trade Mark Attorney acting on behalf of the holder in these proceedings.

d. Susan Cowland dated 11 August 2021 (accompanied by 2 exhibits). Ms Cowland is a translator and her evidence translates certain documents from the above evidence.

10. The holder's evidence was accompanied by written submissions dated 29 July 2021.

11. The opponent filed evidence in reply in the form of the witness statement of Laura Morish dated 20 October 2021, accompanied by 2 exhibits. Ms Morish is a Chartered Trade Mark Attorney acting on behalf of the opponent in these proceedings.

12. The opponent's evidence in reply was accompanied by written submissions dated 20 October 2021.

13. As noted above, the parties also filed written submissions in lieu, both dated 6 December 2021.

14. Whilst I do not propose to summarise them here, I have taken the evidence and submissions into account in reaching my decision and will refer to them below where necessary.

DECISION

Relevance of EU Law

15. Although the UK has left the EU, section 6(3)(a) of the European Union (Withdrawal) Act 2018 requires tribunals to apply EU-derived national law in accordance with EU law as it stood at the end of the transition period. The provisions

of the Act relied upon in these proceedings are derived from an EU Directive. This is why this decision continues to make reference to the trade mark case-law of EU courts.

Relevant Date

16. The relevant date for both grounds of opposition is the date of designation i.e. 17 March 2020.

Section 5(2)(b)

17. Section 5(2)(b) of the Act reads as follows:

> "5(2) A trade mark shall not be registered if because –
>
> (a)…
>
> (b) it is similar to an earlier trade mark and is to be registered for goods or services identical with or similar to those for which the earlier trade mark is protected
>
> there exists a likelihood of confusion on the part of the public, which includes the likelihood of association with the earlier trade mark."

18. Section 5A of the Act reads as follows:

> "5A Where grounds for refusal of an application for registration of a trade mark exist in respect of only some of the goods or services in respect of which the trade mark is applied for, the application is to be refused in relation to those goods and services only."

19. By virtue of their earlier filing dates, the trade marks upon which the opponent relies qualify as earlier trade marks pursuant to section 6 of the Act. The opponent's marks had completed their registration process more than 5 years before the

designation date in issue and, consequently, are subject to proof of use pursuant to section 6A of the Act.

Proof of use

20. I will begin by assessing whether there has been genuine use of the earlier marks. The relevant statutory provisions are as follows:

> "Raising of relative grounds in opposition proceedings in case of non-use
>
> 6A(1) This section applies where
>
> (a) an application for registration of a trade mark has been published,
>
> (b) there is an earlier trade mark of a kind falling within section 6(1)(a), (b) or (ba) in relation to which the conditions set out in section 5(1), (2) or (3) obtain, and
>
> (c) the registration procedure for the earlier trade mark was completed before the start of the relevant period .
>
> (1A) In this section "the relevant period" means the period of 5 years ending with the date of the application for registration mentioned in subsection (1)(a) or (where applicable) the date of the priority claimed for that application.
>
> (2) In opposition proceedings, the registrar shall not refuse to register the trade mark by reason of the earlier trade mark unless the use conditions are met.
>
> (3) The use conditions are met if –
>
> (a) within the relevant period the earlier trade mark has been put to genuine use in the United Kingdom by the proprietor or with his consent in relation to the goods or services for which it is registered, or

(b) the earlier trade mark has not been so used, but there are proper reasons for non- use.

(4) For these purposes -

(a) use of a trade mark includes use in a form (the "variant form") differing in elements which do not alter the distinctive character of the mark in the form in which it was registered (regardless of whether or not the trade mark in the variant form is also registered in the name of the proprietor), and

(b) use in the United Kingdom includes affixing the trade mark to goods or to the packaging of goods in the United Kingdom solely for export purposes.

(5) In relation to a European Union trade mark or international trade mark (EC), any reference in subsection (3) or (4) to the United Kingdom shall be construed as a reference to the European Union.

(5A) […]

(6) Where an earlier trade mark satisfies the use conditions in respect of some only of the goods or services for which it is registered, it shall be treated for the purposes of this section as if it were registered only in respect of those goods or services."

21. Section 100 of the Act is also relevant, which reads:

"100. If in any civil proceedings under this Act a question arises as to the use to which a registered trade mark has been put, it is for the proprietor to show what use has been made of it."

22. Pursuant to section 6A of the Act, the relevant period for assessing whether there has been genuine use of the earlier marks is the five-year period ending with the date of the designation in issue i.e. 18 March 2015 to 17 March 2020.

23. In *Walton International Ltd & Anor v Verweij Fashion BV* [2018] EWHC 1608 (Ch) Arnold J summarised the law relating to genuine use as follows:

> "114……The CJEU has considered what amounts to "genuine use" of a trade mark in a series of cases: Case C-40/01 *Ansul BV v Ajax Brandbeveiliging BV* [2003] ECR I-2439, *La Mer* (cited above), Case C-416/04 P *Sunrider Corp* v *Office for Harmonisation in the Internal Market (Trade Marks and Designs)* [2006] ECR I-4237, Case C-442/07 *Verein Radetsky-Order v Bundervsvereinigung Kamaradschaft 'Feldmarschall Radetsky'* [2008] ECR I-9223, Case C-495/07 *Silberquelle GmbH v Maselli-Strickmode GmbH* [2009] ECR I-2759, Case C-149/11 *Leno Merken BV v Hagelkruis Beheer BV* [EU:C:2012:816], [2013] ETMR 16, Case C-609/11 P *Centrotherm Systemtechnik GmbH v Centrotherm Clean Solutions GmbH & Co KG* [EU:C:2013:592], [2014] ETMR, Case C-141/13 P *Reber Holding & Co KG v Office for Harmonisation in the Internal Market (Trade Marks and Designs)* [EU:C:2014:2089] and Case C-689/15 *W.F. Gözze Frottierweberei GmbH v Verein Bremer Baumwollbörse* [EU:C:2017:434], [2017] Bus LR 1795.
>
> 115. The principles established by these cases may be summarised as follows:
>
> (1) Genuine use means actual use of the trade mark by the proprietor or by a third party with authority to use the mark: *Ansul* at [35] and [37].
>
> (2) The use must be more than merely token, that is to say, serving solely to preserve the rights conferred by the registration of the mark: *Ansul* at [36]; *Sunrider* at [70]; *Verein* at [13]; *Leno* at [29]; *Centrotherm* at [71]; *Reber* at [29].
>
> (3) The use must be consistent with the essential function of a trade mark, which is to guarantee the identity of the origin of the goods or services to the consumer or end user by enabling him to distinguish the goods or services from others

which have another origin: *Ansul* at [36]; *Sunrider* at [70]; *Verein* at [13]; *Silberquelle* at [17]; *Leno* at [29]; *Centrotherm* at [71]. Accordingly, affixing of a trade mark on goods as a label of quality is not genuine use unless it guarantees, additionally and simultaneously, to consumers that those goods come from a single undertaking under the control of which the goods are manufactured and which is responsible for their quality: *Gözze* at [43]-[51].

(4) Use of the mark must relate to goods or services which are already marketed or which are about to be marketed and for which preparations to secure customers are under way, particularly in the form of advertising campaigns: *Ansul* at [37]. Internal use by the proprietor does not suffice: *Ansul* at [37]; *Verein* at [14] and [22]. Nor does the distribution of promotional items as a reward for the purchase of other goods and to encourage the sale of the latter: *Silberquelle* at [20]-[21]. But use by a non-profit making association can constitute genuine use: *Verein* at [16]-[23].

(5) The use must be by way of real commercial exploitation of the mark on the market for the relevant goods or services, that is to say, use in accordance with the commercial *raison d'être* of the mark, which is to create or preserve an outlet for the goods or services that bear the mark: *Ansul* at [37]-[38]; *Verein* at [14]; *Silberquelle* at [18]; *Centrotherm* at [71]; *Reber* at [29].

(6) All the relevant facts and circumstances must be taken into account in determining whether there is real commercial exploitation of the mark, including: (a) whether such use is viewed as warranted in the economic sector concerned to maintain or create a share in the market for the goods and services in question; (b) the nature of the goods or services; (c) the characteristics of the market concerned; (d) the scale and frequency of use of the mark; (e) whether the mark is used for the purpose of marketing all the goods and services covered by the mark or just some of them; (f) the evidence that the proprietor is able to provide; and (g) the territorial extent of the use: *Ansul* at [38] and [39]; *La Mer* at [22]-[23]; *Sunrider* at [70]-[71], [76]; *Leno* at [29]-[30], [56]; *Centrotherm* at [72]-[76]; *Reber* at [29], [32]-[34].

(7) Use of the mark need not always be quantitatively significant for it to be deemed genuine. Even minimal use may qualify as genuine use if it is deemed to be justified in the economic sector concerned for the purpose of creating or preserving market share for the relevant goods or services. For example, use of the mark by a single client which imports the relevant goods can be sufficient to demonstrate that such use is genuine, if it appears that the import operation has a genuine commercial justification for the proprietor. Thus there is no *de minimis* rule: *Ansul* at [39]; *La Mer* at [21], [24] and [25]; *Sunrider* at [72] and [76]-[77]; *Leno* at [55].

(8) It is not the case that every proven commercial use of the mark may automatically be deemed to constitute genuine use: *Reber* at [32]."

24. As the First Earlier Mark is an EUTM, the comments of the Court of Justice of the European Union ("CJEU") in *Leno Merken BV v Hagelkruis Beheer BV,* Case C-149/11, are relevant. The court noted that:

"36. It should, however, be observed that […] the territorial scope of the use is not a separate condition for genuine use but one of the factors determining genuine use, which must be included in the overall analysis and examined at the same time as other such factors. In that regard, the phrase 'in the Community' is intended to define the geographical market serving as the reference point for all consideration of whether a Community trade mark has been put to genuine use."

And:

"50. Whilst there is admittedly some justification for thinking that a Community trade mark should – because it enjoys more extensive territorial protection than a national trade mark – be used in a larger area than the territory of a single Member State in order for the use to be regarded as 'genuine use', it cannot be ruled out that, in certain circumstances, the market for the goods or services for which a Community trade mark has been registered is in fact restricted to the territory of a single Member State. In such a case, use of the Community trade

mark on that territory might satisfy the conditions both for genuine use of a Community trade mark and for genuine use of a national trade mark."

And:

"55. Since the assessment of whether the use of the trade mark is genuine is carried out by reference to all the facts and circumstances relevant to establishing whether the commercial exploitation of the mark serves to create or maintain market shares for the goods or services for which it was registered, it is impossible to determine a priori, and in the abstract, what territorial scope should be chosen in order to determine whether the use of the mark is genuine or not. A *de minimis* rule, which would not allow the national court to appraise all the circumstances of the dispute before it, cannot therefore be laid down (see, by analogy, the order in *La Mer Technology,* paragraphs 25 and 27, and the judgment in *Sunrider v OHIM*, paragraphs 72 and 77)".

At paragraphs 57 and 58, the court held that:

"Article 15(1) of Regulation No 207/2009 of 26 February 2009 on the Community trade mark must be interpreted as meaning that the territorial borders of the Member States should be disregarded in the assessment of whether a trade mark has been put to 'genuine use in the Community' within the meaning of that provision.

A Community trade mark is put to 'genuine use' within the meaning of Article 15(1) of Regulation No 207/2009 when it is used in accordance with its essential function and for the purpose of maintaining or creating market share within the European Community for the goods or services covered by it. It is for the referring court to assess whether the conditions are met in the main proceedings, taking account of all the relevant facts and circumstances, including the characteristics of the mark concerned, the nature of the goods or services protected by the trade mark and the territorial extent and the scale of the use as well as its frequency and regularity."

25. In *The London Taxi Corporation Limited v Frazer-Nash Research Limited & Ecotive Limited,* [2016] EWHC 52, Arnold J. reviewed the case law since the *Leno* case and concluded as follows:

> "228. Since the decision of the Court of Justice in *Leno* there have been a number of decisions of OHIM Boards of Appeal, the General Court and national courts with respect to the question of the geographical extent of the use required for genuine use in the Community. It does not seem to me that a clear picture has yet emerged as to how the broad principles laid down in *Leno* are to be applied. It is sufficient for present purposes to refer by way of illustration to two cases which I am aware have attracted comment.
>
> 229. In Case T-278/13 *Now Wireless Ltd v Office for Harmonization in the Internal Market (Trade Marks and Designs)* the General Court upheld at [47] the finding of the Board of Appeal that there had been genuine use of the contested mark in relation to the services in issue in London and the Thames Valley. On that basis, the General Court dismissed the applicant's challenge to the Board of Appeal's conclusion that there had been genuine use of the mark in the Community. At first blush, this appears to be a decision to the effect that use in rather less than the whole of one Member State is sufficient to constitute genuine use in the Community. On closer examination, however, it appears that the applicant's argument was not that use within London and the Thames Valley was not sufficient to constitute genuine use in the Community, but rather that the Board of Appeal was wrong to find that the mark had been used in those areas, and that it should have found that he mark had only been used in parts of London: see [42] and [54]-[58]. This stance may have been due to the fact that the applicant was based in Guilford, and thus a finding which still left open the possibility of conversion of the community trade mark to a national trade mark may not have sufficed for its purposes.
>
> 230. In *The Sofa Workshop Ltd v Sofaworks Ltd* [2015] EWHC 1773 (IPEC), [2015] ETMR 37 at [25] His Honour Judge Hacon interpreted *Leno* as establishing that "genuine use in the Community will in general require use in more than one Member State" but "an exception to that general requirement

arises where the market for the relevant goods or services is restricted to the territory of a single Member State." On this basis, he went on to hold at [33]-[40] that extensive use of the trade mark in the UK, and one sale in Denmark, was not sufficient to amount to genuine use in the Community. As I understand it, this decision is presently under appeal and it would therefore be inappropriate for me to comment on the merits of the decision. All I will say is that, while I find the thrust of Judge Hacon's analysis of *Leno* persuasive, I would not myself express the applicable principles in terms of a general rule and an exception to that general rule. Rather, I would prefer to say that the assessment is a multi-factorial one which includes the geographical extent of the use."

26. The General Court ("GC") restated its interpretation of *Leno Merken* in Case T-398/13, *TVR Automotive Ltd v OHIM* (see paragraph 57 of the judgment). This case concerned national (rather than local) use of what was then known as a Community trade mark (now a European Union trade mark).

27. Whether the use shown is sufficient for this purpose will depend on whether there has been real commercial exploitation of the EUTM, in the course of trade, sufficient to create or maintain a market for the goods/services at issue in the Union during the relevant 5 year period. In making the required assessment I am required to consider all relevant factors, including:

a. The scale and frequency of the use shown;

b. The nature of the use shown;

c. The goods and services for which use has been shown;

d. The nature of those goods/services and the market(s) for them; and

e. The geographical extent of the use shown.

28. Proven use of a mark which fails to establish that "the commercial exploitation of the mark is real" because the use would not be "viewed as warranted in the economic

sector concerned to maintain or create a share in the market for the goods or services protected by the mark" is, therefore, not genuine use.

29. Mr Bergman gives evidence that the name BARON PHILIPPE DE ROTHSCHILD has been associated with wine since 1922, operating six wine estates across France, California and Chile. Mr Bergman states that the mark has been used in the UK since 1986 in relation to a variety of wines. The opponent sells its wines into the UK market via exclusive distributors through wine merchants such as Laithwaites, Sunday Times Wine Club, Bon Couer Fine Wines and Berry Bros. & Rudd. Agreements with distributors are provided which date back to 2004 and 2014 respectively.[2] The opponent also sells through a variety of online retailers including amazon.co.uk, waddesdon.co.uk, frazierswines.co.uk and dbmwines.co.uk. The opponent has provided screenshots from some of these retailers, which include the following:[3]

2019 Chardonnay, Baron Philippe de Rothschil
Pays d'Oc

Vineyard Information

The Baron Philippe de Rothschild own label range has been developed by the family to bring good value drinking wines to the table by utilising their extensive wine making contacts in the Limoux region. To source the fruit they have developed strong relationships with local growers and in many instances they incorporate young vine fruit from their Domaine Baron'arques.

Colour	White	**Origin**	France
Region	South West France White	**ABV**	12.50%
Drink From		**Drink To**	

Everyday drinking

2019 Pinot Noir, Baron Philippe de Rothschild, V
d'Oc

Tasting Notes

Made without the use of oak, from selected vineyards in the Limoux this 100% Pinot Noir is light and fruity with a lovely spicy note, we thought it was a really good find and super value.

"A light, fruity Pinot Noir. Hints of strawberry and raspberry on the nose. The palate is fruity with a lovely fine spice. Soft, gentle tannins with a generous balanced finish. uncomplicated and excellent value"

Vineyard Information

The Baron Philippe de Rothschild (proprietor of Mouton Rothchild) own label range has been developed by the family to bring good value drinking wines to the table by utilising their extensive wine making contacts in the

It is clear from these images that the words BARON PHILIPPE DE ROTHSCHILD appears within the product description, as well as on the labels themselves.

[2] Exhibit EB3
[3] Exhibit EB1

30. Mr Bergman states that the opponent also sells its wines through UK supermarkets and department stores including Morrisons, Ocado, Selfridges and Marks & Spencer.[4] The opponent has provided a list of EU distributors, although an English translation has not been provided. Nonetheless, I can identify that there are distributors located in a range of countries including Austria, Greece, Italy, Portugal, France, Lithuania and Poland.[5] The holder notes that the distribution list provided is undated and, therefore, does not confirm that the distributors in each of these countries were active during the relevant period.

31. Mr Bergman confirms that the opponent sells a range of wines under the mark including Sauvignon Blanc, Bordeaux, Chardonnay, Merlot, Cabernet Sauvignon and Pinot Noir.

32. Mr Bergman provides the following turnover figures for the UK market for the years 2016 to 2020:

2016	€420,208	2017	€376,256
2018	€248,090	2019	€401,348
2020	€217,069		

During this period, Mr Bergman states that more than 65,400 units (of 9 litre cases) were sold under the mark.

33. The opponent has provided a selection of invoices, all of which display the following mark:

BARON PHILIPPE DE ROTHSCHILD, S.A.

These are dated between January 2013 and October 2018. They are all addressed to recipients located in the UK, with addresses including Buckinghamshire, East Sussex,

[4] Exhibit EB2
[5] Exhibit EB4

Hertfordshire and West Sussex.[6] These display sales amounting to over €300,000. I note that not all of these sales would have related to the relevant period. The holder submits that the invoices show use of the words BARON PHILIPPE DE ROTHSCHILD to indicate the name of the company rather than to indicate origin. I accept that use of a company name and use of a trade mark are not necessarily the same thing. However, in this case, I see no reason to conclude that the company name is not serving the purpose of indicating trade origin of the goods.

34. A similar selection of invoices have been provided for the EU market, dated between March 2015 and December 2019.[7] These are addressed to recipients located in Germany, Denmark, France, Ireland, Italy and Portugal and amount to sales of over €6.4million. Mr Bergman summarises turnover in the EU market for goods sold under the mark as follows:

2016	€7,786,772	2017	€8,006,605
2018	€8,694,168	2019	€7,343,854
2020	€6,774,960		

35. Clearly, where the mark has been used as registered, this will be use upon which the opponent can rely. I am also satisfied that the above mark is acceptable use of the mark as registered.[8] This is because the stylisation used would be covered by notional and fair use of the word only mark and the addition of the letters “S.A.” simply serve to signify the company type and would be a non-distinctive addition. Clearly, there have been significant sales in the EU and UK markets during the relevant period. Although the screenshots of websites provided are undated, it is apparent from the vintages of the wines that the mark has been used during the relevant period, appearing on product labels. Taking all of this into account, I am satisfied that the opponent has demonstrated genuine use during the relevant period in relation to various wines.

[6] Exhibit EB6
[7] Exhibit EB7
[8] *Colloseum Holdings AG v Levi Strauss & Co.,* Case C-12/12

36. I must now consider whether, or the extent to which, the evidence shows use of the earlier marks in relation to the goods relied upon. In *Euro Gida Sanayi Ve Ticaret Limited v Gima (UK) Limited,* BL O/345/10, Mr Geoffrey Hobbs Q.C. as the Appointed Person summed up the law as being:

> "In the present state of the law, fair protection is to be achieved by identifying and defining not the particular examples of goods or services for which there has been genuine use but the particular categories of goods or services they should realistically be taken to exemplify. For that purpose the terminology of the resulting specification should accord with the perceptions of the average consumer of the goods or services concerned."

37. In *Property Renaissance Ltd (t/a Titanic Spa) v Stanley Dock Hotel Ltd (t/a Titanic Hotel Liverpool) & Ors* [2016] EWHC 3103 (Ch)*,* Mr Justice Carr summed up the law relating to partial revocation as follows:

> "iii) Where the trade mark proprietor has made genuine use of the mark in respect of some goods or services covered by the general wording of the specification, and not others, it is necessary for the court to arrive at a fair specification in the circumstance, which may require amendment; *Thomas Pink Ltd v Victoria's Secret UK Ltd* [2014] EWHC 2631 (Ch) ("Thomas Pink") at [52].
>
> iv) In cases of partial revocation, pursuant to section 46(5) of the Trade Marks Act 1994, the question is how would the average consumer fairly describe the services in relation to which the trade mark has been used; *Thomas Pink* at [53].
>
> v) It is not the task of the court to describe the use made by the trade mark proprietor in the narrowest possible terms unless that is what the average consumer would do. For example, in *Pan World Brands v Tripp Ltd* (Extreme Trade Mark) [2008] RPC 2 it was held that use in relation to holdalls justified a registration for luggage generally; *Thomas Pink* at [53].

vi) A trade mark proprietor should not be allowed to monopolise the use of a trade mark in relation to a general category of goods or services simply because he has used it in relation to a few. Conversely, a proprietor cannot reasonably be expected to use a mark in relation to all possible variations of the particular goods or services covered by the registration. *Maier v Asos Plc* [2015] EWCA Civ 220 ("Asos") at [56] and [60].

vii) In some cases, it may be possible to identify subcategories of goods or services within a general term which are capable of being viewed independently. In such cases, use in relation to only one subcategory will not constitute use in relation to all other subcategories. On the other hand, protection must not be cut down to those precise goods or services in relation to which the mark has been used. This would be to strip the proprietor of protection for all goods or services which the average consumer would consider to belong to the same group or category as those for which the mark has been used and which are not in substance different from them; *Mundipharma AG v OHIM* (Case T-256/04) ECR II-449; EU:T:2007:46."

38. The First Earlier Mark is registered for "alcoholic beverages (except beers)" and "wines". Given the range of wines across which the opponent has shown use, I am satisfied that it is entitled to rely upon the term "wines" at large. However, the term "alcoholic beverages (except beers)" is broad enough to cover a wide range of goods including whisky, gin and vodka. There is no suggestion that the opponent sells anything other than wine and I do not consider it appropriate for the opponent to be able to rely upon this broad term. Consequently, I consider a fair specification for the First Earlier Mark to be:

Class 33 Wines.

39. The Second Earlier Mark is registered for "wines" only. Consequently, I am satisfied that the opponent can rely upon its full specification.

Section 5(2)(b) – case law

40. The following principles are gleaned from the decisions of the EU courts in *Sabel BV v Puma AG,* Case C-251/95, *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc,* Case C-39/97, *Lloyd Schuhfabrik Meyer & Co GmbH v Klijsen Handel B.V.* Case C-342/97, *Marca Mode CV v Adidas AG & Adidas Benelux BV,* Case C-425/98, *Matratzen Concord GmbH v OHIM*, Case C-3/03, *Medion AG v. Thomson Multimedia Sales Germany & Austria GmbH,* Case C-120/04, *Shaker di L. Laudato & C. Sas v OHIM,* Case C-334/05P and *Bimbo SA v OHIM,* Case C-591/12P:

(a) The likelihood of confusion must be appreciated globally, taking account of all relevant factors;

(b) the matter must be judged through the eyes of the average consumer of the goods or services in question, who is deemed to be reasonably well informed and reasonably circumspect and observant, but who rarely has the chance to make direct comparisons between marks and must instead rely upon the imperfect picture of them he has kept in his mind, and whose attention varies according to the category of goods or services in question;

(c) the average consumer normally perceives a mark as a whole and does not proceed to analyse its various details;

(d) the visual, aural and conceptual similarities of the marks must normally be assessed by reference to the overall impressions created by the marks bearing in mind their distinctive and dominant components, but it is only when all other components of a complex mark are negligible that it is permissible to make the comparison solely on the basis of the dominant elements;

(e) nevertheless, the overall impression conveyed to the public by a composite trade mark may be dominated by one or more of its components;

(f) however, it is also possible that in a particular case an element corresponding to an earlier trade mark may retain an independent distinctive

role in a composite mark, without necessarily constituting a dominant element of that mark;

(g) a lesser degree of similarity between the goods or services may be offset by a greater degree of similarity between the marks, and vice versa;

(h) there is a greater likelihood of confusion where the earlier mark has a highly distinctive character, either per se or because of the use that has been made of it;

(i) mere association, in the strict sense that the later mark brings to mind the earlier mark, is not sufficient;

(j) the reputation of a mark does not give grounds for presuming a likelihood of confusion simply because of a likelihood of association in the strict sense;

(k) if the association between the marks creates a risk that the public will wrongly believe that the respective goods or services come from the same or economically-linked undertakings, there is a likelihood of confusion.

Comparison of goods

41. In light of my findings above, the competing goods are as follows:

Opponent's goods	**Holder's goods**
First and Second Earlier Marks Class 33 Wines	Class 33 Alcoholic beverages (except beers); wines.

42. In *Gérard Meric v Office for Harmonisation in the Internal Market,* Case T- 133/05, the General Court ("GC") stated that:

> "29. In addition, the goods can be considered as identical when the goods designated by the earlier mark are included in a more general category, designated by trade mark application (Case T-388/00 *Institut für Lernsysteme v OHIM – Educational Services* (ELS) [2002] ECR II-4301, paragraph 53) or where the goods designated by the trade mark application are included in a more general category designated by the earlier mark."

43. The term "wines" appears identically in both parties' specifications.

44. The term "wines" in the opponent's specifications will fall within the broader category of "alcoholic beverages (except beers)" in the holder's specification. Consequently, these goods are identical on the principle outlined in *Meric*.

The average consumer and the nature of the purchasing act

45. As the case law above indicates, it is necessary for me to determine who the average consumer is for the respective parties' goods. I must then determine the manner in which the goods are likely to be selected by the average consumer. In *Hearst Holdings Inc, Fleischer Studios Inc v A.V.E.L.A. Inc, Poeticgem Limited, The Partnership (Trading) Limited, U Wear Limited, J Fox Limited,* [2014] EWHC 439 (Ch), Birss J described the average consumer in these terms:

> "60. The trade mark questions have to be approached from the point of view of the presumed expectations of the average consumer who is reasonably well informed and reasonably circumspect. The parties were agreed that the relevant person is a legal construct and that the test is to be applied objectively by the court from the point of view of that constructed person. The words "average" denotes that the person is typical. The term "average" does not denote some form of numerical mean, mode or median."

46. The average consumer for the goods will be a member of the general public, who is over the age of 18. The holder submits that the average consumer could also include specialist wine purchasers who act on behalf of businesses, which I accept. The price of the goods are likely to vary, although they are unlikely to be at the highest end of

the scale. These are likely to be reasonably frequent purchases. Even where the cost of the goods is relatively low, various factors will still be taken into account such as flavour notes, alcohol content and vintage. However, I do not consider that the level of attention paid is likely to be at the highest end of the scale. I recognise that specialist purchasers may pay a slightly higher degree of attention. Consequently, I consider that at least a medium degree of attention will be paid in relation to the goods.

47. The goods are likely to be self-selected from the shelves of a retail outlet or their online equivalent or following perusal of a wine list in a restaurant or bar. Visual considerations are, therefore, likely to dominate the selection process. However, I do not discount an aural component to the purchase given that orders may be placed verbally in restaurants and bars and advice may be sought from retail assistants.

Comparison of trade marks

48. It is clear from *Sabel BV v. Puma AG* (particularly paragraph 23) that the average consumer normally perceives a trade mark as a whole and does not proceed to analyse its various details. The same case also explains that the visual, aural and conceptual similarities of the trade marks must be assessed by reference to the overall impressions created by the trade marks, bearing in mind their distinctive and dominant components. The CJEU stated, at paragraph 34 of its judgment in Case C-591/12P, *Bimbo SA v OHIM*, that:

> "… it is necessary to ascertain, in each individual case, the overall impression made on the target public by the sign for which registration is sought, by means of, inter alia, an analysis of the components of a sign and of their relative weight in the perception of the target public, and then, in the light of that overall impression and all factors relevant to the circumstances of the case, to assess the likelihood of confusion."

49. It would be wrong, therefore, to artificially dissect the trade marks, although it is necessary to take into account the distinctive and dominant components of the marks and to give due weight to any other features which are not negligible and therefore contribute to the overall impressions created by the marks.

50. The respective trade marks are shown below:

Opponent's trade marks	Holder's trade mark
BARON PHILIPPE DE ROTHSCHILD	BARON EDMOND DE ROTHSCHILD

51. The opponent's marks consist of the words BARON PHILIPPE DE ROTHSCHILD. The overall impression of the marks lies in the combination of these words. The same applies to the holder's mark, the overall impression of which lies in the combination of the words BARON EDMOND DE ROTHSCHILD.

52. The respective trade marks overlap visually to the extent that they consist of the same structure BARON____DE ROTHSCHILD. The point of visual difference lies in the second word, which is PHILIPPE in the opponent's marks and EDMOND in the holder's mark. Taking all of this into account, I consider the marks to be visually similar to between a medium and high degree.

53. Aurally, the words BARON and DE ROTHSCHILD will be pronounced identically in both marks. The words PHILIPPE and EDMOND will act as points of aural difference. Taking all of this into account, I consider the marks to be aurally similar to between a medium and high degree.

54. Conceptually, both marks convey the image of an individual with the surname DE ROTHSCHILD who holds the rank of BARON. In its Counterstatement, the holder states:

> "Furthermore, the [holder]'s name is synonymous not only with wines but also with its well-known banking and asset management services, investment services. As such, the EDMOND DE ROTHSCHILD name contained in the opposed mark will likely evoke a different concept i.e. an average consumer will also associate the name with the [holder]'s other non-wine related activities e.g.

banking, thereby lowering the likelihood of confusion/association with the Opponent's mark."

I disagree. I see no reason for the average consumer to make a connection with a name used in the financial sector, in the context of the goods in issue. In any event, the concept evoked by the marks as words is a different issue to the reputations of the marks as trade marks for particular goods or services. Consequently, I do not consider that this line of argument assists the holder. Clearly, the specific titles in each of the parties' marks differ. Taking all of this into account, I consider the marks to be conceptually similar to a high degree.

Distinctive character of the earlier trade marks

55. In *Lloyd Schuhfabrik Meyer & Co. GmbH v Klijsen Handel BV*, Case C-342/97 the CJEU stated that:

"22. In determining the distinctive character of a mark and, accordingly, in assessing whether it is highly distinctive, the national court must make an overall assessment of the greater or lesser capacity of the mark to identify the goods or services for which it has been registered as coming from a particular undertaking, and thus to distinguish those goods or services from those of other undertakings (see, to that effect, judgment of 4 May 1999 in Joined Cases C-108/97 and C-109/97 *Windsurfing Chiemsee v Huber and Attenberger* [1999] ECR 1-2779, paragraph 49).

23. In making that assessment, account should be taken, in particular, of the inherent characteristics of the mark, including the fact that it does or does not contain an element descriptive of the goods or services for which it has been registered; the market share held by the mark; how intensive, geographically widespread and long-standing use of the mark has been; the amount invested by the undertaking in promoting the mark; the proportion of the relevant section of the public which, because of the mark, identifies the goods or services as originating from a particular undertaking; and statements from chambers of

commerce and industry or other trade and professional associations (see *Windsurfing Chiemsee*, paragraph 51)."

56. Registered trade marks possess varying degrees of inherent distinctive character, ranging from the very low, because they are suggestive or allusive of a characteristic of the goods, to those with high inherent distinctive character, such as invented words which have no descriptive or allusive qualities. The distinctive character of a mark can be enhanced by virtue of the use that has been made of it.

57. I will begin by assessing the inherent distinctive character of the earlier marks. The surname DE ROTHSCHILD is unusual in the UK, as is the rank of Baron. The name PHILIPPE is also likely to be relatively unusual in the UK, although the English version, Philip, would be far more common. Taking all of this into account, I consider the earlier marks to be inherently distinctive to between a medium and high degree.

58. I have summarised the opponent's evidence of use above. In addition to this, I note that the opponent's marks have been referenced in publications such as *Decanter* (1992 and 2008), *The Lady* (2008), *Drinks International* (2018), *The Travel Retail Business* (2018) and *LUX* (2018).[9] Mr Bergman confirms that circulation figures for *The Lady* are 22,007 per issue, for *LUX* are between 250,000 and 300,000 (although not all in the UK), for *Decanter* are 40,000 and for *Drinks International* around 12,000.

59. The relevant market for assessing enhanced distinctiveness is the UK market. Clearly, the opponent's sales in the UK are not insignificant. No market share has been provided, however, I note that the holder has filed evidence indicating that the wine market in the UK was worth $18.7billion in 2014.[10] This evidence does not appear to be disputed by the opponent. In any event, the turnover figures above would not represent a particularly extensive market share given what must, undoubtedly, be a significant market in the UK. I have some evidence of advertising in UK publications, but no information is provided about the amount spent on advertising and promotion of the marks. I recognise that use has been reasonably geographically widespread,

[9] Exhibit EB8
[10] Exhibit CN1

with invoices showing sales to customers in various parts of the UK. However, on balance, I am not satisfied that the opponent has established enhanced distinctiveness in the UK at the relevant date.

Likelihood of confusion

60. Confusion can be direct or indirect. Direct confusion involves the average consumer mistaking one mark for the other, while indirect confusion is where the average consumer realises the marks are not the same but puts the similarity that exists between them down to the responsible undertaking being the same or related. There is no scientific formula to apply in determining whether there is a likelihood of confusion; rather, it is a global assessment where a number of factors need to be borne in mind. The first is the interdependency principle i.e. a lesser degree of similarity between the respective trade marks may be offset by a greater degree of similarity between the respective goods and vice versa. As I mentioned above, it is necessary for me to keep in mind the distinctive character of the earlier marks, the average consumer for the goods and the nature of the purchasing process. In doing so, I must be alive to the fact that the average consumer rarely has the opportunity to make direct comparisons between trade marks and must instead rely upon the imperfect picture of them that he has retained in his mind.

61. I have found the marks to be visually and aurally similar to between a medium and high degree and conceptually similar to a high degree. I have found the earlier marks to be inherently distinctive to between a medium and high degree. I have found the average consumer to be a member of the general public, who is over the age of 18, who will pay at least a medium degree of attention during the purchasing process. I recognise that this will include specialist purchasers. I have found the purchasing process to be predominantly visual, although I do not discount an aural component. I have found the parties' goods to be identical.

62. In addition to these factors, I also consider it important to note that the parties have been trading side-by-side for a number of years. I, of course, recognise that it is not a requirement of a successful opposition for an opponent to demonstrate that there has been confusion. However, the lack of actual confusion in the marketplace over an

extended period of time can be a relevant (if not conclusive) factor pointing towards no likelihood of confusion. I have summarised the opponent's evidence of use above and I have set out a detailed summary of the holder's use below; suffice to say for these purposes that there has been relatively long-standing use of the IR in the UK and that at least some of this use has been through the same trade channels as those used by the opponent. Clearly, therefore, this is not a case in which there has been no 'real world' potential for confusion to occur. However, no evidence of actual confusion has been submitted. I consider this to be an important factor to be taken into account in my assessment.

63. The similarities between the marks and the identity of the goods are clearly factors in favour of the opponent. However, they are, in my view, countered by the lack of evidence of actual confusion. Weighing all of the above factors together, on the facts of this particular case, I am not satisfied that the differing specific titles (i.e. BARON EDMOND v BARON PHILIPPE) will be overlooked by the average consumer and I do not consider that there is a prima facie case of direct confusion. Having recognised these differences between the marks, I see no reason for the average consumer to conclude that they originate from the same or economically linked undertakings; the mere fact that the common use of the surname DE ROTHSCHILD may indicate a familial link does not equate to an economic connection. There must be a proper basis for a conclusion that there is a likelihood of indirect confusion given that there is no likelihood of direct confusion;[11] however, I am unable to identify any such basis in this case. Consequently, I do not consider there to be a prima facie case of direct or indirect confusion.

Honest Concurrent Use

64. In any event, that is not the end of the matter. In its Form TM8, the holder states:

> "3. Both parties in these opposition proceedings belong to the same family, the famous Rothschild family, which explains the use of the same surname within the respective marks. The [holder] belongs to the French branch of the

[11] *Liverpool Gin Distillery v Sazerac Brands [2021] EWCA Civ 1207*

Rothschild family and is part of the EDMOND DE ROTHSCHILD Group, founded by the Baron Edmond de Rothschild (1926-1997) in 1953, in France. The [holder] is also a part of the Group Edmond de Rothschild Heritage (responsible for non-financial activities), which is owned by the aforementioned EDMOND DE ROTHSCHILD Group.

4. The Opponent belongs to the English branch of the Rothschild family, whose group was founded by Baron Phillipe de Rothschild (1902-1988), the cousin of Baron Edmond de Rothschild.

5. It is important to note, and it is well documented, that the activities of these two branches of the famous Rothschild family are economically independent and always have been.

6. The EDMOND DE ROTHSCHILD Group's wine activity commenced in France in 1973, continuing family tradition initiated by Baron Edmond de Rothschild's great-grand-father James de Rothschild (founder of the French branch family) dating back to 19th century. Today, the Compagnie Vinicole Baron Edmond de Rothschild (created in 1985 to manage the estates) owns vineyards in France (Bordeaux), Spain, Argentina, South Africa and New Zealand, and distributes millions of wine bottles across the world, including the UK.

7. The two branches of the Rothschild family, one guided by Baron Edmond (for the French branch) and the other by the Baron Phillippe (for the English branch), have therefore independently developed two important and recognized wine estates which are coexisting and competing side by side on the UK market. Further, the respective parties consistently and actively market and promote their goods by use of their full names (forename and surname) on labelling in such a way that allows consumers to identify the relevant undertaking without confusion."

65. In its submissions in reply, the opponent states:

"4. Any co-existence of the parties' goods on the market is irrelevant to this case. In *The European Limited vs The Economist Newspaper Ltd [1998] FSR 283* Millett LJ stated:

> Absence of evidence of actual confusion is rarely significant, especially in a trade mark case where it may be due to differences extraneous to the plaintiff's registered trade mark.

5. The fact that the parties may have tolerated each other's existence in the marketplace has no bearing on an assessment of the similarity of the marks in question, or whether there might be a likelihood of confusion between them in respect of the goods in the application.

6. The existence of any relationship between the parties bearing the names referred to in the marks, is also not relevant in the context of Tribunal opposition procedure and the assessment of whether confusion might be likely."

66. However, it is settled law that a long period of honest concurrent use may defeat a claim of confusion: *Budejovicky Budvar NP v Anheuser-Busch Inc,* Case C-482/09, EU:C:2011:605 ("Budweiser CJEU").

67. In *Victoria Plum Ltd v Victorian Plumbing Ltd* [2016] EWHC 2911 (Ch), Carr J. considered the judgment in *Budweiser* CJEU, the Court of Appeal's judgments in that case (*Budejovicky Budvar NP v Anheuser-Busch Inc* [2012] EWCA Civ 880) and in *IPC Media Ltd v Media 10 Ltd,* [2014] EWCA Civ 1403, in relation to the principle that a defence of honest concurrent use could defeat an otherwise justified claim of trade mark infringement. Having reviewed the case law, Carr J. stated that:

"74. The case law to which I have referred establishes the following principles:

(i) Where two separate entities have co-existed for a long period, honestly using the same or closely similar names, the inevitable confusion that arises may have to be tolerated.

(ii) This will be the case where the trade mark serves to indicate the goods or services of either of those entities, as opposed to one of them alone. In those circumstances, the guarantee of origin of the claimant's trade mark is not impaired by the defendant's use, because the trade mark does not denote the claimant alone.

(iii) However, the defendant must not take steps which exacerbate the level of confusion beyond that which is inevitable and so encroach upon the claimant's goodwill."

68. Mr De La Palme gives evidence that the holder has been using its mark in the UK since at least 2005, via various distributors. These distributors, he states, includes a business called Waddeson Wine Limited which was founded over 15 years ago with the purpose of "jointly representing the three wine producing branches of the Rothschild family". This is confirmed by the Waddeson Wine website, which also includes the following:[12]

> "James de Rothschild's great-grandson, Edmond de Rothschild, began a new chapter in the family winegrowing adventure in 1973 by acquiring two Crus Bourgeois estates in the Listrac and Moulis-en-Medoc appellations of Bordeaux: Chateau Clarke and Chateau Malmaison.
>
> Thus the Compagnie Vinicole Baron Edmond de Rothschild was born. […]"

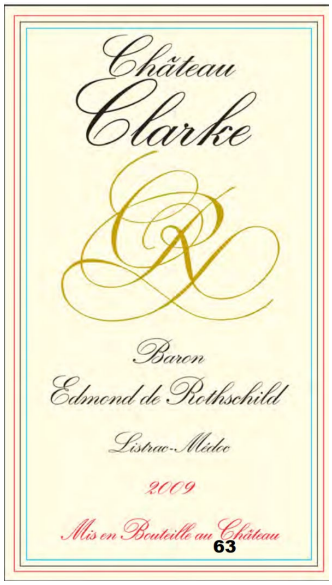
And:

> "When Baron Nathaniel acquired Chateau Mouton Rothschild at auction in 1853, little did he know that he held in his hands the keys to the start of one of the world's most respected Bordeaux wine brands.
>
> Founded 80 years later in 1933, the Baron Phillippe de Rothschild Group today manages an exquisite roster of estates and branded wines that expand far

[12] Exhibit ALP1

beyond its Bordeaux heart, maintaining the same dedication to excellence that has characterised the family's winemaking style for generations."

69. Wine lists from Waddeson Wine from 2018 and 2020 have been provided, both of which offer for sale Baron Philippe de Rothschild and Baron Edmond de Rothschild wines.[13] Examples of the holder's wine labels have also been provided.[14] I note that not all of these include the IR, but those that do appear as follows:



In addition to Waddeson Wine, I note that the holder also sells its wines through a range of other retailers. These include Majestic, Ocado, Waitrose, Oxford Wine Co

[13] Exhibit ALP2
[14] Exhibit ALP3

and Davis, Bell & McCraith. I note that that there is some overlap with retailers that also sell the opponent's wine.

70. Mr De La Palme has provided the following sales figures for the UK and EU markets between 2016 and 2020:

Country	2016	2017	2018	2019	2020
United Kingdom	75 301 €	147 383 €	11 185 €	199 544 €	7 945 €
TOTAL for Europe including the UK	**430 464 €**	**521 000 €**	**394 155 €**	**545 708 €**	**315 662 €**

I recognise that the sales figures vary quite significantly year to year. These figures relate to the holder's "Chateau Clarke" wine only, the label for which is shown above. Mr De La Palme explains that this is the holder's most popular wine, although he states that there are also similar figures for their "Rimapere" and "Le Merle Blanc" wines. A label for the "Rimapere" wine is also shown above, which clearly displays the IR. It is not clear what label is used on "Le Merle Blanc", although Mr De La Palme states that it is also sold under the BARON EDMOND DE ROTHSCHILD mark. Invoices have been provided to support sales of wine under the BARON EDMOND DE ROTHSCHILD mark.[15]

71. I note that various press articles have been provided which refer to the IR, although at least the majority of these do not appear to relate to the UK market. However, I note that the holder's wine was publicised in *The Independent* in 2018, and is identified as being available to purchase from M&S.[16]

72. I note that the holder has won the following awards:[17]

[15] Exhibit ALP6
[16] Exhibit ALP7
[17] Exhibit ALP9

a. The 2007 *Decanter* "Bronze" award for Chateau Clarke, Baron Edmond de Rothschild Listrac, Bordeaux 2004;

b. The 2013 *Decanter* "Silver" award for Baron Edmond de Rothschild, Chateau Clarke, Listrac-Medoc 2009;

c. The 2013 *Decanter* "Best in Show" Regional Bordeaux Left Bank over £15 award for Baron Edmond de Rothschild, Chateau Clarke, Listrac-Medoc 2009; and

d. The 2016 *Decanter* "Bronze" award for Baron Edmond de Rothschild, Chateau Clarke 2012 Listrac-Medoc, Bordeaux.

73. It is clear to me that the evidence as a whole shows that there has been relatively substantial and longstanding use of the applied-for mark in the UK in relation to wine for the period 2016 to 2020. Further, awards won show that use dates back further than this and support the narrative evidence that use in the UK commenced as early as the mid-2000s. I have set out my findings in relation to the opponent's evidence above, and I am satisfied that the holder's use has been concurrent with the opponent's use of its mark in relation to wine. The parties have sold their wine through the same distributor, which was established with the purpose of selling the goods of different branches of the same Rothschild family. Similarly, the parties' goods have been sold alongside each other in other independent retailers such as Ocado. Although the parties are described as having a common history (being linked to the same family), they are clearly described as being separate operations. Taking all of this into account, I am satisfied that there has been honest concurrent use of the holder's mark in relation to wine. I recognise that the holder has also applied for the broader term "alcoholic beverages (except beers)"; given that the goods for which there has been honest concurrent use fall within this broader term and, as such, they are identical, I find that the objection is also overcome in relation to these, broader, goods.

74. The opposition based upon section 5(2)(b) is dismissed in its entirety.

Section 5(3)

75. Section 5(3) of the Act states:

> "5(3) A trade mark which -
>
> (a) is identical with or similar to an earlier trade mark, shall not be registered if, or to the extent that, the earlier trade mark has a reputation in the United Kingdom (or, in the case of a European Union trade mark or international trade mark (EC), in the European Union) and the use of the later mark without due cause would take unfair advantage of, or be detrimental to, the distinctive character or repute of the earlier trade mark."

76. As noted above, the marks relied upon by the opponent qualify as earlier marks pursuant to section 6 of the Act. I have found that the opponent can rely upon both marks for "wines" in class 33.

77. I bear in mind the relevant case law set out in the following judgments of the CJEU: Case C-375/97, *General Motors,* Case 252/07, *Intel,* Case C-408/01, *Adidas-Salomon,* Case C-487/07, *L'Oreal v Bellure* and Case C-323/09, *Marks and Spencer v Interflora.* The conditions of section 5(3) are cumulative. Firstly, the opponent must show that its marks are similar to the holder's mark. Secondly, the opponent must show that the earlier marks have achieved a level of knowledge/reputation amongst a significant part of the public. Thirdly, it must be established that the level of reputation and the similarities between the earlier marks will cause the public to make a link between them, in the sense of the earlier marks being brought to mind by the later mark. Fourthly, assuming the earlier conditions have been met, section 5(3) requires that one or more types of damage will occur. It is unnecessary for the purposes of section 5(3) that the goods be similar, although the relative distance between them is one of the factors which must be assessed in deciding whether the public will make a link between the marks.

Reputation

78. In *General Motors,* Case C-375/97, the CJEU held that:

> "25. It cannot be inferred from either the letter or the spirit of Article 5(2) of the Directive that the trade mark must be known by a given percentage of the public so defined.
>
> 26. The degree of knowledge required must be considered to be reached when the earlier mark is known by a significant part of the public concerned by the products or services covered by that trade mark.
>
> 27. In examining whether this condition is fulfilled, the national court must take into consideration all the relevant facts of the case, in particular the market share held by the trade mark, the intensity, geographical extent and duration of its use, and the size of the investment made by the undertaking in promoting it.
>
> 28. Territorially, the condition is fulfilled when, in the terms of Article 5(2) of the Directive, the trade mark has a reputation 'in the Member State'. In the absence of any definition of the Community provision in this respect, a trade mark cannot be required to have a reputation 'throughout' the territory of the Member State. It is sufficient for it to exist in a substantial part of it."

79. In determining whether the opponent has demonstrated a reputation for the goods in issue, it is necessary for me to consider whether its marks will be known by a significant part of the public concerned with the goods. In reaching this decision, I must take all of the evidence into account including "the market share held by the trade mark, the intensity, geographical extent and duration of use, and the size of the investment made by the undertaking in promoting it".

80. I have already summarised the opponent's evidence above. Whilst the sales shown are not insignificant, I do not consider that they represent a particularly significant market share in either the UK or EU markets. I have no information about

marketing expenditure in the UK or EU. Consequently, I do not consider that the opponent has proved the requisite reputation at the relevant date.

Final Remarks

81. In any event, even if I had found a reputation and the necessary link, I would still not have found in the opponent's favour under this ground of opposition. The reason for this is that where there has been honest concurrent use without any apparent effects on the functions of the earlier marks, continued use of the holder's mark would not give it an unfair advantage or be detrimental to the reputation or distinctive character of the earlier marks. Consequently, I would have found no damage and the 5(3) claim would have failed for this reason.

82. The opposition based upon section 5(3) of the Act is dismissed in its entirety.

CONCLUSION

83. The opposition is unsuccessful, and the application may proceed to registration.

COSTS

84. The holder has been successful and is entitled to a contribution towards its costs, based upon the scale published in Tribunal Practice Notice 2/2016. In the circumstances, I award the holder the sum of **£1,550**, calculated as follows:

Considering the Notice of opposition and filing a counterstatement	£300
Filing evidence and considering the opponent's evidence	£850
Written submissions	£400
Total	**£1,550**

85. I therefore order Baron Philippe De Rothschild S.A. to pay Societe Francaise Des Hotels De Montagne the sum of £1,550. This sum should be paid within 21 days of the expiry of the appeal period or, if there is an appeal, within 21 days of the conclusion of the appeal proceedings.

Dated this 2nd day of February 2022

S WILSON
For the Registrar